From: FORESTcoalition@aol.com Sent: 12/19/2010 12:05:56 PM

To: "Watershed@PaForestCoalition.org" <Watershed@PaForestCoalition.org>

CC:

Subject: E-1] Replacing Water Contaminated by Marcellus Drilling

Replacing Dimock's Water Supplies –

. . . Three sides to every story

Comments by the Forest Coalition, Damascus Citizens, and a statement from John Hanger Did the residents of the Susquehanna County community get a fair shake?

1]

It started out as a polarized situation - DEP claimed that bad well casings and high pressure in Cabot's Marcellus wells caused methane to contaminate the water wells; Cabot claimed that the contamination occurred naturally.

They say a fair deal is where nobody walks away smiling.

Did the Dimock residents get a fair shake in the behind-the-scenes negotiations between DEP and Cabot Oil & Gas?

DEP has agreed to forget about forcing Cabot to fund a 12.5-mile, \$12 million pipeline to bring clean water to the 19 families with contaminated wells. That agency might be smiling because they were able to accomplish that before the end of the Rendell administration.

Cabot might be smiling because they got off the hook for the pipeline, paying only \$4.1 million to the residents with contaminated wells [plus \$500,000 to offset DEP's investigation].

The DEP/Cabot settlement will require the driller to fix the gas-migration problem in order to resume drilling and fracking in the area.

Hopefully, other drillers will learn by Cabot's mistakes and adhere strictly to the new CH 78 regulations on drilling and cementing of the pipe string.

But because of the vast increase in drilling the Marcellus, expect contamination of other water supplies. They could be individual wells, or municipal water reservoirs serving 2,000 homes. We can give up eating Gulf Coast shrimp, but we can't give up drinking PA water. R.M.

2]

The following is a statement by Damascus Citizens for Sustainability regarding the Cabot-DEP settlement - posted on the Scranton Times-Tribune website:

"We wonder if use of the word "settlement" is appropriate, since the parties impacted were not consulted, since the dollar amounts do not consistently reflect twice the value of the homes as Secretary Hanger alleges, and most importantly, since it does not include the permanent solution to the water supply problem that the plaintiffs have asked for. . .

Edited for length - See the URL below for the full statement

. . . Currently, Cabot is circulating a packet to each plaintiff around Carter Road, asserting that the escrow account will not be available for 30 days, but that Cabot will give you the money today "if you just sign this little piece of paper". It is said that Mr. Stark- Cabot's public relations spokesperson - is "not sure" what the paper says and advises that you will have to check with Cabot lawyers.

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Gotta hand it to these guys, they may not be good at drilling within the law, but they sure are terrific at running away from the consequences of violating it.

Damascus Citizens for Sustainability B. Arrindell, Director <u>DamascusCitizens.org</u>

This comment and five others at:

http://thetimes-tribune.com/news/settlement-between-cabot-and-dep-draws-criticism-praise-1.1078753#axzz18O2ppX9J

3]

--- On Sat, 12/18/10, Hanger, John <i hanger@state.pa.us> wrote:

I respect your interest in the dimock matter and work to protect the environment. I offer a few points that I hope are considered:

- 1. Right now of the 19 private water wells polluted by methane from cabot's gas wells, 14 of them have had the methane removed or reduced to below the required standard; 5 water wells have methane still above the required standard.
- 2. The progress in cleaning the water is because dep made cabot plug some gas wells and repair others. These actions in some cases yielded almost immediate reductions of methane in the water.
- 3. Cabot must continue to take actions to finish getting the methane out of all private water wells
- 4. All 19 families that had their water polluted with methane by cabot receive a payment equal to 2 times the property's market value.
- 5. Families keep their property. These payments are not buyouts of the property
- 6. These payments total \$4.185 million and average more than \$200,000.
- 7. Cabot pays another \$500,000 fine (already paid). Cabot has now paid \$1.7 million in fines for violations at dimock.
- 8. This agreement is between dep and cabot only. It does not require families to drop any other legal actions or other remedies they may be pursuing.

So today 14 of 19 families have the methane out of their water because cabot has been made to plug and repair gas wells; cabot is required to keep taking actions to finish the clean up; all 19 families get substantial payments that average \$200,000; all families keep their property; the agreement is between dep and cabot only so that families may continue any other legal actions that may pursue. This is a strong precedent for what a drilling company must do if it pollutes private water wells with methane.

R. Martin, Coordinator www.PaForestCoalition.org

The Pennsylvania Forest Coalition is a unique alliance of hunters, hikers, anglers, landowners, wildlife-watchers, paddlers, bikers, churches and conservation groups who are united in our concern for the good stewardship of our public lands. Caring for what God has created

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For good background on Marcellus issues: http://www.lhup.edu/rmyers3/marcellus.htm

Comments on National Conservation Issues: Republicans for Environmental Protection

http://www.repamerica.org/

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